



# MICHIGAN

OFFICE OF THE AUDITOR GENERAL

## AUDIT REPORT



THOMAS H. McTAVISH, C.P.A.  
AUDITOR GENERAL

The auditor general shall conduct post audits of financial transactions and accounts of the state and of all branches, departments, offices, boards, commissions, agencies, authorities and institutions of the state established by this constitution or by law, and performance post audits thereof.

– Article IV, Section 53 of the Michigan Constitution

Audit report information can be accessed at:

*<http://audgen.michigan.gov>*



Michigan  
*Office of the Auditor General*  
**REPORT SUMMARY**

*Financial Audit*

*State Sponsored Group Insurance Fund  
 Department of Technology, Management &  
 Budget, Civil Service Commission, and  
 Office of the State Employer*

*October 1, 2009 through September 30, 2010*

Report Number:  
 071-0143-11

Released:  
 January 2011

*A financial audit determines if the financial statements are fairly presented; considers internal control over financial reporting; and determines compliance with requirements material to the financial statements. This financial audit of the State Sponsored Group Insurance Fund was conducted as part of the constitutional responsibility of the Office of the Auditor General.*

**Financial Statements:**

**Auditor's Report Issued**

We issued an unqualified opinion on the State Sponsored Group Insurance Fund's financial statements.

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**Internal Control Over Financial Reporting and on Compliance and Other Matters**

In accordance with *Government Auditing Standards*, we will issue a report on our consideration of the State Sponsored Group Insurance Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

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**Background:**

The State Sponsored Group Insurance Fund, a proprietary fund of the State of Michigan, was administratively established to account for employee insurance benefits programs, which are largely self-funded. Five group insurance programs are offered to State employees: health, dental, vision, long-term disability, and life.

The Fund utilizes the State Treasurer's Common Cash pool as its primary cash account for the insurance programs it administers. Premiums collected are deposited and claim payments and administrative expenses are paid from this account.

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A copy of the full report can be  
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or by visiting our Web site at:  
<http://audgen.michigan.gov>



Michigan Office of the Auditor General  
201 N. Washington Square  
Lansing, Michigan 48913

**Thomas H. McTavish, C.P.A.**  
Auditor General

**Scott M. Strong, C.P.A., C.I.A.**  
Deputy Auditor General



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THOMAS H. MCTAVISH, C.P.A.  
AUDITOR GENERAL

January 25, 2011

John E. Nixon, C.P.A., Director  
Department of Technology, Management & Budget  
Lewis Cass Building  
Lansing, Michigan  
and  
Mr. Jeremy S. Stephens, State Personnel Director  
Civil Service Commission  
Capitol Commons Center  
Lansing, Michigan  
and  
Ms. Janine Winters, Director  
Office of the State Employer  
Capitol Commons Center  
Lansing, Michigan

Dear Mr. Nixon, Mr. Stephens, and Ms. Winters:

This is our report on the financial audit of the State Sponsored Group Insurance Fund, a proprietary fund of the State of Michigan, administered by the Department of Technology, Management & Budget, the Civil Service Commission, and the Office of the State Employer, for the period October 1, 2009 through September 30, 2010.

This report contains our report summary, our independent auditor's report on the financial statements, the Fund's financial statements, and a glossary of acronyms and terms.

We appreciate the courtesy and cooperation extended to us during this audit.

AUDITOR GENERAL



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**DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET**  
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# INDEPENDENT AUDITOR'S REPORT



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THOMAS H. MCTAVISH, C.P.A.  
AUDITOR GENERAL

## Independent Auditor's Report on the Financial Statements

John E. Nixon, C.P.A., Director  
Department of Technology, Management & Budget  
Lewis Cass Building  
Lansing, Michigan  
and  
Mr. Jeremy S. Stephens, State Personnel Director  
Civil Service Commission  
Capitol Commons Center  
Lansing, Michigan  
and  
Ms. Janine Winters, Director  
Office of the State Employer  
Capitol Commons Center  
Lansing, Michigan

Dear Mr. Nixon, Mr. Stephens, and Ms. Winters:

We have audited the accompanying financial statements of the State Sponsored Group Insurance Fund, a proprietary fund of the State of Michigan, administered by the Department of Technology, Management & Budget, the Civil Service Commission, and the Office of the State Employer, as of and for the fiscal year ended September 30, 2010, as identified in the table of contents. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the financial statements present only the State Sponsored Group Insurance Fund and do not purport to, and do not, present fairly the financial position of the State of Michigan or its internal service funds as of September 30, 2010 and the changes in financial position and cash flows thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the State Sponsored Group Insurance Fund as of September 30, 2010 and the changes in financial position and cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we will issue a report on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

AUDITOR GENERAL

January 5, 2011



# FINANCIAL STATEMENTS

STATE SPONSORED GROUP INSURANCE FUND

Department of Technology, Management & Budget, Civil Service Commission, and Office of the State Employer  
Statement of Net Assets  
As of September 30

	<u>2010</u>
<b>Assets</b>	
Current assets:	
Equity in common cash (Note 3)	\$ 193,133,392
Accounts receivable:	
Amounts due from other funds (Note 4)	10,358,399
Amounts due from federal agencies (Note 5)	58,513
Miscellaneous - net (Note 6)	<u>13,856,169</u>
Total current assets	\$ 217,406,473
Other noncurrent assets (Note 7)	<u>1,100,000</u>
Total assets	<u><u>\$ 218,506,473</u></u>
<b>Liabilities and Net Assets</b>	
Current liabilities:	
Warrants outstanding	\$ 50,686
Accounts payable and other liabilities:	
Claim liabilities (Note 8)	50,266,097
Vouchers payable	11,681,317
Deferred revenue	<u>177,671</u>
Total current liabilities	\$ 62,175,771
Long-term liabilities:	
Claim liabilities (Note 8)	<u>88,732,828</u>
Total liabilities	\$ 150,908,599
Net assets	
Unrestricted (Note 9)	<u>67,597,874</u>
Total liabilities and net assets	<u><u>\$ 218,506,473</u></u>

The accompanying notes are an integral part of the financial statements.

STATE SPONSORED GROUP INSURANCE FUND

Department of Technology, Management & Budget, Civil Service Commission, and Office of the State Employer  
Statement of Revenues, Expenses, and Changes in Net Assets  
For the Fiscal Year Ended September 30

	<u>2010</u>
<b>Operating revenues</b>	
Premium contributions (Note 2)	\$ 723,281,342
Federal revenues	<u>940,620</u>
Total operating revenues	<u>\$ 724,221,963</u>
<b>Operating expenses</b>	
Claim payments and premiums	\$ 694,916,597
Service fees and other administrative expense	22,574,484
Bad debt expense (Note 6)	<u>9,546,442</u>
Total operating expenses	<u>\$ 727,037,523</u>
Operating income (loss)	<u>\$ (2,815,560)</u>
<b>Nonoperating revenues</b>	
Interest revenues	\$ 449,757
Other miscellaneous revenues (Note 6)	<u>11,760,357</u>
Total nonoperating revenues	<u>\$ 12,210,114</u>
Change in net assets	\$ 9,394,554
Net assets at beginning of fiscal year	<u>58,203,320</u>
Net assets at end of fiscal year	<u>\$ 67,597,874</u>

The accompanying notes are an integral part of the financial statements.

STATE SPONSORED GROUP INSURANCE FUND

Department of Technology, Management & Budget, Civil Service Commission, and Office of the State Employer  
Statement of Cash Flows  
For the Fiscal Year Ended September 30

	2010
<b>Cash flows from operating activities</b>	
Cash received from customers	\$ 743,705,538
Payments to suppliers	(303,003,473)
Claims paid	(423,341,442)
Receipts from federal agencies	1,089,732
Other receipts	350,504
Net cash provided (used) by operating activities	\$ 18,800,859
<b>Cash flows from noncapital financing activities</b>	
Loan repayments from other funds	\$ 5,635,027
Loans to other funds	(10,346,914)
Net cash provided (used) by noncapital financing activities	\$ (4,711,887)
<b>Cash flows from investing activities</b>	
Interest on equity in common cash	\$ 449,757
Net cash provided (used) by investing activities	\$ 449,757
Net increase (decrease) in cash and cash equivalents	\$ 14,538,729
Cash and cash equivalents at beginning of fiscal year	178,543,976
Cash and cash equivalents at end of fiscal year	\$ 193,082,705
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>	
Operating income (loss)	\$ (2,815,560)
Adjustments to reconcile operating income (loss) with net cash provided (used) by operating activities:	
Other reconciling items	350,504
Changes in assets and liabilities:	
Amounts due from other funds and component units	20,398,469
Federal and miscellaneous receivables	3,811,443
Accounts payable and other liabilities	(2,943,996)
Net cash provided (used) by operating activities	\$ 18,800,859
<b>Reconciliation of cash and cash equivalents</b>	
Equity in common cash	\$ 193,133,392
Warrants outstanding	(50,686)
Cash and cash equivalents at end of fiscal year	\$ 193,082,705

The accompanying notes are an integral part of the financial statements.

## Notes to the Financial Statements

### Note 1 **Summary of Significant Accounting Policies**

#### **Reporting Entity**

The accompanying financial statements report the financial position, changes in financial position, and cash flows of the State Sponsored Group Insurance Fund, a proprietary fund of the State of Michigan, as of and for the fiscal year ended September 30, 2010. They are not intended to present the financial position, changes in financial position, and cash flows of the State of Michigan or its internal service funds in conformity with accounting principles generally accepted in the United States of America. The State Sponsored Group Insurance Fund is reported as an internal service fund in the *State of Michigan Comprehensive Annual Financial Report (SOMCAFR)*.

The footnotes accompanying these financial statements relate directly to the State Sponsored Group Insurance Fund. The *SOMCAFR* provides more extensive disclosures regarding the State's significant accounting policies; budgeting, budgetary control, and legal compliance; common cash; pension benefits; and other postemployment benefits.

#### **Measurement Focus, Basis of Accounting, and Presentation**

The financial statements contained in this report are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Operating revenues and expenses generally result from providing insurance benefits. All other revenues and expenses are reported as nonoperating.

As allowed by Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the State's proprietary funds follow all GASB pronouncements and those Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins that were issued on or before November 30, 1989, except those that conflict with a GASB pronouncement.

### **State Sponsored Group Insurance Fund Cash Account**

The Fund utilizes the State Treasurer's Common Cash pool as its primary cash account for the insurance programs it administers. Premiums collected are deposited and claim payments and administrative expenses are paid from this account. Because a single account is used, an individual insurance program can have a deficit cash balance while the Fund in total can have a positive cash balance. For the purpose of the statement of cash flows, the Fund considers equity in the State Treasurer's Common Cash pool net of warrants outstanding to be cash and cash equivalents.

### **Note 2 Description of the State Sponsored Group Insurance Fund**

The Fund was administratively established to account for employee insurance benefit programs, which are largely self-funded. Five group insurance programs are offered to State employees: health, dental, vision, long-term disability, and life.

To participate in these programs, an employee must be appointed for at least 720 hours and be either full-time or at least 40% part-time (the 40% requirement does not apply to the health program). Funding for the various insurance programs is based on the respective pay action determinations made by the Civil Service Commission and varies among employee groups. In general, funding for each program is as follows:

- Health insurance is funded based upon an employee's hire or rehire date. For employees hired or rehired on or before March 31, 2010, the State Health Plan is funded 90% and 10% by the State and the employee, respectively. The State contributes a maximum of 95% of the cost for those employees enrolled in health maintenance organizations up to the amount paid for the same coverage under the State Health Plan. For employees hired or rehired on or after April 1, 2010, the new State Health Plan is funded 80% and 20% by the State and the employee, respectively. The State contributes a maximum of 85% of the cost for those employees enrolled in health maintenance organizations up to the amount paid for the same coverage under the new State Health Plan. The new State Health Plan does not apply to employees in the Michigan State Police Troopers Association.

- Dental insurance is funded 95% and 5% by the State and the employee, respectively.
- The State contributes 100% for vision insurance for employees.
- Contribution rates for long-term disability insurance vary depending on the unused hours of sick leave accumulated by the employee. However, in total, long-term disability is funded 50% and 50% by the State and the employee, respectively.
- The State contributes 100% for employee life insurance coverage, and the employee contributes 100% for dependent life insurance coverage.

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, was adopted by the State of Michigan for fiscal year 2007-08. Statement No. 45 prohibits the reporting of retiree related postemployment benefits within the State Sponsored Group Insurance Fund. All retiree related activity, including accumulated net assets, is no longer reflected in this report. As of October 1, 2007, the retiree activity is recorded in certain other employee benefit trust funds in the *SOMCAFR*.

More specific information concerning eligibility requirements, benefit level, and funding policies is included in employee collective bargaining agreements, benefit plan booklets, and rules and regulations issued by the Civil Service Commission.

**Note 3 Equity in the State Treasurer's Common Cash**

Equity in the State Treasurer's Common Cash pool represents the State Sponsored Group Insurance Fund's interest, at market, in an investment pool managed by the State Treasurer.

The investment authority for the Common Cash pool is found in Act 105, P.A. 1855, as amended. The State Treasurer may invest surplus funds belonging to the State in the bonds, notes, and other evidences of indebtedness of the United States government or its agencies and in prime commercial paper. Certificates of deposit are permitted in financial institutions whose principal office is located in the State of Michigan.

The State Sponsored Group Insurance Fund's pro-rata share of the State Treasurer's Common Cash pool was \$193,133,392 at September 30, 2010. For the total amount of deposits and investments in the State Treasurer's Common Cash pool and their specific risks, please refer to the *SOMCAFR*.

## **Common Cash Deposits**

### Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the State's deposits may not be recovered.

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are:

- a. Uncollateralized,
- b. Collateralized with securities held by the pledging financial institution, or
- c. Collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name.

The State Treasurer's Common Cash pool policy requires the following criteria to lessen the custodial credit risk: All financial institutions holding the State's money must pledge collateral equal to the amount of the account balance for all demand and time deposits, to secure the State's funds; a bank, savings and loan association, or credit union holding the State's funds must be organized under the law of Michigan or federal law and maintain a principal office or branch office in the State of Michigan; and no deposit in any financial organization may be in excess of 50% of the net worth of the organization.

### Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of deposits.

Act 35, P.A. 1997, requires State deposits to be held in a financial institution that maintains a principal office or branch office located in the State of Michigan. The State had no Common Cash pool deposits subject to foreign currency risk at September 30, 2010.

## **Common Cash Investments**

### Types of Investments

State Treasurer's Common Cash pool investments include prime commercial paper, corporate notes, and emergency municipal notes.

### Risk

In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, investments also require certain disclosures regarding policies and practices with respect to the risks associated with them. The custodial credit risk, the credit risk, the interest rate risk, the concentration of credit risk, and the foreign currency risk are discussed in the following paragraphs.

### Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure by a counterparty, the State Sponsored Group Insurance Fund will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either:

- a. The counterparty or
- b. The counterparty's trust department or agent, but not in the government's name.

The State Treasurer does not have an investment policy for managing custodial credit risk. At September 30, 2010, Common Cash pooled investments were not exposed to custodial credit risk.

### Credit Risk

Credit risk is the risk that an issuer or another counterparty to an investment will not fulfill its obligations.

The State Treasurer requires that prime commercial paper investments be rated A-1 or P-1 at the time of purchase as rated by the two major rating

services, Standard & Poor's (A-1) and Moody's Investors Service (P-1). Borrowers must also have at least \$400 million in commercial paper outstanding, and the State Treasurer may not invest in more than 10% of a borrower's outstanding debt. The Common Cash pooled investments are further limited to \$200 million in any borrower, unless the borrower has an A-1+ rating, in which case the investment is not to exceed \$300 million.

The State Treasurer's investment of the Common Cash pool in sugar beet loans is evidenced by unrated zero-interest promissory notes. The State Treasurer's investment in emergency municipal loans is evidenced by unrated notes held by the State in the State's name. In addition, at September 30, 2010, prime commercial paper investments were rated at A-1, P-1, or above.

#### Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The State Treasurer's Common Cash pool policy states that cash equivalents are to be invested in short-term fixed income securities with an average weighted maturity of less than one year to provide liquidity and safety of principal from capital market and default risk.

The State Treasurer does not have a policy for controlling interest rate risk regarding the Common Cash pool investments in special loan programs (Emergency Financial Assistance Loan Program, Michigan Marina Dredging Loan Program, Michigan Sugar Beet Loan Program, and Agriculture Disaster Relief Program). These loan programs are investments created through legislation. Although some interest rate risk exposure exists, interest rate risk is not a consideration when entering into the special loan programs.

#### Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the magnitude of a government's investment with a single issuer.

The State Sponsored Group Insurance Fund is invested in pooled investments in the State of Michigan Common Cash pool, which is excluded from concentration of credit risk disclosure requirements.

### Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of deposits.

The State Treasurer's Common Cash pool investment policy does not allow for investment in foreign investments or currency; therefore, the State Sponsored Group Insurance Fund is not exposed to foreign currency risk.

### **Note 4 Interfund Receivables**

The statement of net assets includes interfund receivables of \$10,358,399 at September 30, 2010. These receivables are primarily composed of amounts temporarily loaned to another internal service fund or the State's General Fund to cover cash shortages or if funds are owed across fiscal years. These loans occurred on September 30, 2010 and were returned in fiscal year 2010-11. These loans can take place because all funds involved are participating members of the State Treasurer's Common Cash pool.

### **Note 5 Federal Receivables**

Federal receivables represent monies to be received from the federal government for the American Recovery and Reinvestment Act (ARRA). Employees who have been involuntarily terminated are eligible to receive up to 15 months of Consolidated Omnibus Budget Reconciliation Act (COBRA) subsidy at 65% paid by the federal government. The statement of net assets includes a receivable of \$58,513 at September 30, 2010.

### **Note 6 Miscellaneous Receivables and Revenues**

The statement of net assets includes miscellaneous receivables of \$13,856,169 at September 30, 2010. These receivables are composed of amounts anticipated to be received from third party administrators for activity such as rebates and settlements.

A receivable of \$11,409,853 was recorded for overpayments to claimants who were eligible to receive long-term disability benefits but later were awarded Social Security disability and/or pension disability benefits retroactive to periods initially covered by long-term disability. The statement of revenues, expenses, and changes in net assets includes the recording of corresponding miscellaneous revenue. An allowance for doubtful accounts and bad debt expense in the amount of \$9,546,442 was also recorded in relation to the long-

term disability receivable. The receivable and bad debt expense include activity for periods prior to the fiscal year ended September 30, 2010. Management determined that the net effect was not material enough to require a restatement of the financial statements for the fiscal year ended September 30, 2009.

**Note 7 Other Noncurrent Assets**

Two third party administrators requested a working capital advance at the start of their contracts and will hold these advances throughout the entire length of their contracts.

**Note 8 Claim Liabilities**

Expenses and liabilities for incurred claims and incurred but not reported or not processed claims, based on estimates from the plan administrators, have been recorded as liabilities in the amount of \$138,998,925 at September 30, 2010. The short-term portion of \$50,266,097 at September 30, 2010 is based on claims information received from plan administrators. Each of the various insurance carriers, with the exception of the long-term disability provider, has professional actuarial staff or outside professional contractors that estimate these amounts based on the program's past experience.

The long-term disability program estimates the incurred and incurred but not reported or not processed liability using actuarial principles, the program's past experience, and information from prior actuary studies. The long-term portion, related to the long-term disability program, is reported at a discounted present value of \$88,108,150 at September 30, 2010. For all claims incurred prior to October 1, 2010, the discounted present value of the long-term disability liability was calculated over a 20-year period using a discount rate of approximately 1.25%. The remaining long-term claim liability of \$624,678 pertains to health care and vision insurance programs.

Changes in the State Sponsored Group Insurance Fund's claim liability for employee insurance benefit programs for the fiscal year ended September 30, 2010 are as follows:

Beginning balance	\$ 134,952,658
Current year claims, premiums, and changes	681,526,800
Claims payments and premiums paid	<u>(677,480,533)</u>
Ending balance	<u>\$ 138,998,925</u>

**Note 9 Unrestricted Net Assets**

The statement of net assets includes unrestricted net assets balances of \$67,597,874 at September 30, 2010. Unrestricted net assets represent employer and employee contributions in excess of recognized expenses and amounts required at the benefit program level. Recommended net assets surpluses to cover catastrophic losses of the State Sponsored Group Insurance Fund (based on target funding levels suggested by the State Sponsored Group Insurance Fund's benefits consultants) were \$47,590,913 at September 30, 2010.

# GLOSSARY

## Glossary of Acronyms and Terms

deficiency in internal control over financial reporting	The design or operation of a control that does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.
financial audit	An audit that is designed to provide reasonable assurance about whether the financial schedules and/or financial statements of an audited entity are presented fairly in all material respects in conformity with the disclosed basis of accounting.
GASB	Governmental Accounting Standards Board.
internal control	A process, effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of the entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.
material misstatement	A misstatement in the financial schedules and/or financial statements that causes the schedules and/or statements to not present fairly the financial position or the changes in financial position or cash flows in conformity with the disclosed basis of accounting.
material weakness in internal control over financial reporting	A deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial schedules and/or financial statements will not be prevented, or detected and corrected, on a timely basis.

significant deficiency  
in internal control over  
financial reporting

A deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

*SOMCAFR*

*State of Michigan Comprehensive Annual Financial Report.*

unqualified opinion

An auditor's opinion in which the auditor states that the financial schedules and/or financial statements presenting the basic financial information of the audited agency are fairly presented in conformity with the disclosed basis of accounting.







